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CONFIDENTIAL FUNDS
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COLLECTION OF EMPLOYEE INDEBTEDNESS
RESULTING FROM ERRONEOUS PAYMENTS

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1. PURPOSE

This regulation outlines the policy of the Agency and prescribes procedure for the collection of employee indebtedness resulting from erroneous payments in conformity with Public Law 497, 83rd Congress, approved 15 July 1954 (68 Stat. 482).

2. RESPONSIBILITY

The Comptroller or his designees, the Chief of the Finance or Fiscal Division, as appropriate, are responsible for the administration of this regulation.

3. DETERMINATION OF ERRONEOUS PAYMENT

- a. The Office of the Comptroller shall, upon ascertaining that an erroneous payment of any nature has been made to or on behalf of an employee, prepare a Statement of Findings. Such statement shall set forth all information concerning the erroneous payment, computation of the amount of the erroneous payment, and conclusions, and shall be reviewed by the Chief of the Finance or Fiscal Division, as appropriate. Approval of such findings by the Comptroller or

his designee shall constitute an administrative determination that an erroneous payment has been made.

4. COLLECTION OF ERRONEOUS PAYMENTS

- a. The employee shall be informed with respect to all details involved, including the method of calculating the amount of the erroneous payment and shall be requested to refund the amount thereof.
- b. In the event the erroneous payment has not been refunded within a period of sixty days, the amount of the indebtedness shall be deducted from the gross basic compensation at the next regular pay period following the sixty day limitation, or in installments at a rate determined to be reasonable by the Comptroller or his designee. Deductions shall not exceed two thirds of such pay unless the deduction of a greater amount is required to effect collection within the anticipated period of employment.
- c. In the event the services of an employee who is indebted to the Agency are terminated due to resignation, retirement, or other reasons, before such indebtedness is liquidated, the balance shall be deducted from any subsequent payments, of whatever nature, which may be due such individual.

5. REDRESS BY EMPLOYEE

Any employee who is of the opinion that the administrative determination with respect to an erroneous payment is incorrect, or takes exception to all or any part thereof, may request that a review be made jointly by the Comptroller and the head of the office within which the individual is employed, or his designee (Deputy Director (Plans), Deputy Director (Intelligence), Deputy Director (Administration), the Director of Training,

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or the Assistant Directors for Communications or Personnel). If, after such joint review, there remains any issue which has not been resolved to the satisfaction of the employee, he may appeal to the Director for final determination.

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